

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF WISCONSIN**

CONVERGEN ENERGY WI, LLC,

Plaintiff,

vs.

L'ANSE WARDEN ELECTRIC COMPANY, LLC,

Defendant.

Case No. 3:20-cv-0543

Dane County Wisconsin
Cir. Ct. Case No. 20-cv-1199

**SUPPLEMENTAL DECLARATION OF THEODORE HANSEN IN SUPPORT OF
PLAINTIFF'S MOTION FOR PRELIMINARY INJUNCTION**

I, Theodore J. Hansen, under penalty of perjury, do declare and state as follows:

1. I am an adult private person with no legal disabilities. I am a resident of the State of Wisconsin with an address of 798 Terra Cotta Drive, Neenah, WI 54956. At all times relevant to this case, I was and am the chief executive officer of Convergen Energy WI, LLC, a Delaware limited liability company authorized as a foreign limited liability company to do business in Wisconsin (hereinafter, "CE-Wisconsin"), the Plaintiff in this action.

2. I make this declaration on personal knowledge and in my role as CEO of CE-Wisconsin in support of Plaintiff's Renewed Motion for Preliminary Injunction.

3. Prior to CE-Wisconsin's acquisition, I was employed as part of the Libra Group, and I was familiar with Libra's personnel and executives. Camilo Patrignani was not employed by Libra or LWEC at the time the Supply Agreement was signed.

4. The Supply Agreement was drafted by Bert Diaz, Libra's General Counsel. Specifically, Mr. Diaz drafted the language in the arbitration clause, stating that the parties recognized that non-performance of the agreement pending a dispute would result in irreparable harm.

5. The Supply Agreement was signed on LWEC's side by Fidel Andueza, who wore (and continues to wear) numerous hats in the Libra organization, including as Libra's Chief Investment Officer.

6. As of January 31, 2020, Mr. Andueza possessed the actual and apparent authority to bind LWEC in the Supply Agreement and (along with Mr. Diaz) participated in devising the terms of the Supply Agreement on behalf of LWEC.

7. Mr. Andueza, as an authorized agent of LWEC and Libra, was fully aware of Steven Brooks' involvement and interest in both the Supply Agreement, as well as the acquisition of CE-Wisconsin.

8. Under the terms of the Supply Agreement, LWEC's failure to pay, if not corrected, will begin tipping dominoes, risking BMO's withdrawal of the financial support to both parties that is conditioned upon the continuation of the Supply Agreement. The withdrawal of that support would be a disastrous and potentially existential threat to CE-Wisconsin (and likely LWEC as well).

9. The Supply Agreement accounts for around 50 percent of CE-Wisconsin's overall sales. As a result, L'Anse's persistent failure to pay anything at all for the pellets CE-Wisconsin is required to provide to L'Anse under the Supply Agreement (and L'Anse is required to accept) has seriously compromised CE-Wisconsin's ability to continue operations.

10. If this continues, CE-Wisconsin will be forced to scale back operations, laying off essential Wisconsin employees whose specialized training and experience in this niche industry cannot be easily replaced. Without access to credit and faced with an irreparable loss of talent, CE-Wisconsin will not exist in its current form (if at all) after lengthy arbitration.

11. CE-Wisconsin operates as part of a complex supply chain that includes key relationships with essential third-party suppliers, transportation partners, and storage facilities. Without

L'Anse's required payments under the Supply Agreement, CE-Wisconsin cannot pay its business partners, which will irreparably damage these key relationships. These third parties will not wait quietly until L'Anse is ordered to honor its commitments.

FURTHER THIS DECLARANT SAYETH NOT.

Dated: June 25, 2020

By: s/Theodore J. Hansen
Theodore J. Hansen